



FACT SHEET: Flood Insurance

November, 2013

How can the County help you?

- The official FEMA flood maps may be viewed at the County Community Development or Flood Control District offices, and are available for you to download from the Gila County website at www.gilacountyaz.gov, or from fema.gov.
- Gila County is involved in assuring that new construction, remodeling and additions are built in compliance with FEMA's standards to protect life and property, and to thus insure that flood insurance and federal disaster relief are available to Gila County residents. We provide information to residents to assist them in complying with the laws regarding construction in floodplains.
- The federal guidelines do not give Gila County input into insurance requirements, interpretation of floodplain boundary locations for insurance, flood insurance premium rates, or other such details of flood insurance. The lender has the final say on whether flood insurance is required.
- The Standard Flood Hazard Determination report provided by Gila County is **NOT FOR INSURANCE PURPOSES**. It is information to help you to build in a manner that minimizes risks to life and property if you are proposing to build in a floodplain. We may not know where you propose to build on your property until you submit plans. Therefore, the Gila County flood determination gives information on a PARCEL basis. In other words, if there is any floodplain area on the parcel of land, the parcel is flagged as floodplain, so that permit applications may be reviewed by the proper staff trained to help you with floodplain issues. Flood elevations given on these pre-permit reports are also the highest flood elevations within the parcel. This reported flood elevation could be higher than the actual flood elevation at your existing building location, making it appear that your floors are lower than they really are in relation to the flood elevation, possibly resulting in higher insurance premiums. You might have floodplain areas on your parcel, but the house could be on the part of the property which is outside of the floodplain. ***For these reasons, please use caution in submitting the Gila County flood hazard determination report to your insurance company, since it may be misunderstood and result in unnecessary flood insurance costs.***

Did your mortgage company send you a letter telling you that flood insurance is now required?

Many mortgage companies are sending letters to their customers saying that flood insurance is now required on their property, even though it may not previously have been required.

There may be one or more reasons why this is so:

- Mortgage companies use flood insurance to help protect property on which they have loaned money.
- Many mortgage companies appear to have been diligent in researching floodplain status recently.
- Re-financing a loan, the sale of a mortgage from one mortgage company to another, or property sale may cause a lender to check the floodplain status of your property as part of their standard processing procedure.
- The flood maps for Gila County were converted to a digital format with an aerial photography background, which became effective in December, 2007, so it may now be easier to locate properties in relation to the floodplain.
- There may not have been a loan on the property in the past, or flood insurance may not have been required due to an oversight.

Facts to Consider before applying for insurance:

- Flood insurance premiums are determined based on risk. In many areas, there is a detailed flood study showing the expected 100-year flood elevation (base flood elevation). The cost of flood insurance can vary depending on how high or low the lowest floor of your home is relative to the base flood elevation.
- If a mortgage company obtains a flood insurance policy for you, they will probably not have the floor elevation surveyed to see if you qualify for a reduced rate. Similarly, they may not look carefully to see exactly where your home is on your property, and whether it is in or out of the floodplain (your house might not be in the part of the lot which is in the floodplain). Remember, only buildings are insured, NOT land.
- The more information which you can provide the insurance company, the more closely they can check to see if you qualify for a better rate. Much of the information needs to be obtained through a private land surveyor, and documented on FEMA's Elevation Certificate form, available from fema.gov. (See the "FEMA NFIP Forms" link on the Gila County web site).
- Remember that FEMA mandates flood insurance if your property is in a floodplain and you have loan guarantees by federal agencies (FHA, VA, SBA, etc) or from federally-chartered banks.
- Even if you do not have a federal flood insurance requirement, the lender has the option to require flood insurance to protect the collateral for the loan. The lender may even require flood insurance if the property is not within a designated floodplain.
- The official Flood Insurance Rate Maps must be used for flood insurance purposes, unless a letter of map change is obtained from FEMA, based on information you submit to them. For flood insurance purposes, if the map is wrong, common sense does not prevail, only official information. If the natural ground around your house is all above the 100-year flood elevation, as determined by a licensed Land Surveyor, you may submit an application to FEMA for a "Letter of Map Amendment" to officially remove it from the floodplain (See Form MT-EZ). Insurance agents, lenders and Gila County cannot make the determination to remove a structure from the floodplain.

In the 2007 map update for Gila County, only the Tonto Basin area has significant new floodplain areas, due to the incorporation of a 2004 FEMA flood study into the official maps. The Globe-Miami area had map changes in 2004. The other parts of Gila County are represented by old studies, most of which have not been updated since they were first effective in 1985.

The National Flood Insurance Program is a part of FEMA. However, local insurance agencies can write the policies for you. Please do not confuse this with "flood" provisions in a homeowner's insurance policy that cover plumbing leaks, but not natural disasters. ***FEMA has flood insurance rates available on line.*** To get more details on insurance, including available coverage, costs, and insurance agents serving this area, please visit www.floodsmart.gov.